



The chart below (adapted from one prepared by TIAA-CREF) provides a comparative overview of the key features of 403(b) and 457(b) plans:

<u>Features</u>	<u>403(b) Plan</u>	<u>457(b) Public Plan</u>
Taxability	Amounts are taxable when distributed.	Amounts are taxable when distributed.
Contribution Coordination	There is no coordination between 403(b) and 457(b) plans. Employees can contribute the maximum to both.	There is no coordination between 403(b) and 457(b) plans. Employees can contribute the maximum to both.
Age 50 Catch-Up Amounts	An additional \$3,000 is permitted, for those age 50 and over, with higher amounts in future years. Can use the age 50 catch-up amount in both 403(b) and 457(b) plans.	An additional \$3,000 is permitted, for those age 50 and over, with higher amounts in future years. Can use the age 50 catch-up amount in both 403(b) and 457(b) plans. If within three years of plan's normal retirement age, employee is eligible for the greater of the age 50 catch-up or an enhanced limit (not both) – see next feature.
Other Catch-Up Amounts	For those with 15 or more years of service (same employer) up to an additional \$3,000 per year (\$15,000 lifetime max). Prior year contributions may limit this amount. Employees are eligible for both age 50 and 15 year catch-up contributions, up to lifetime maximum.	For those within three years of plan's normal retirement age, additional amount up to twice the applicable limit or unused amounts from prior years, whichever is less. Employees are eligible for greater of enhanced limit or age 50 catch-up contributions, but not both.
Triggering Events To Access Funds	Separation from employment, age 59 ½, retirement, disability, or death. Hard-ship distributions may also be available. Employer contributions will be restricted under the terms of the plan.	Separation from employment, age 70, retirement, or death. Distributions due to unforeseeable financial emergency may also be available.
Early Withdrawal Penalty	Yes. 10% before age 59 ½, unless due to death, disability, or separation from service after attainment of age 55.	None.
Loans	Yes, but loans are subject to the employer's plan and there may be restrictions. Typically, you can borrow between \$1,000 and \$50,000 per plan. The amount you can borrow depends on the amount in your annuity account that is available for loans.	Yes, but loans are subject to the employer's plan and there may be restrictions. Typically, you can borrow between \$1,000 and \$50,000 per plan. The amount you can borrow depends on the amount in your annuity account that is available for loans.